

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
LAKE CHARLES DIVISION**

**FAMILY AUTO AND QUICK
LUBE SERVICES, LLC**

NO. 2:21-cv-4062

VERSUS

JUDGE _____

**SCOTTSDALE INSURANCE
COMPANY AND CERTAIN
UNDERWRITER'S AT LLOYD'S –
LLOYD'S OF LONDON**

MAGISTRATE JUDGE _____

COMPLAINT

NOW INTO COURT, through undersigned counsel, comes Plaintiff,
FAMILY AUTO AND QUICK LUBE SERVICES, LLC ("Family Auto"), who
files this Complaint based upon the following allegations of fact and law:

1.

Made Defendants herein (collectively, the "Insurance Company") are:

SCOTTSDALE INSURANCE COMPANY, a foreign corporation
that may be served with a certified copy of this Complaint and the
accompanying Summons through its designated agent for service of
process, R. KYLE ARDOIN, LOUISIANA SECRETARY OF
STATE, 8585 Archives Avenue, Baton Rouge, Louisiana, 70809;

and

CERTAIN UNDERWRITER'S AT LLOYD'S – LLOYD'S OF
LONDON, a foreign corporation that may be served with a certified
copy of this Complaint and the accompanying Summons through its
designated agent for service of process, R. KYLE ARDOIN,
LOUISIANA SECRETARY OF STATE, 8585 Archives Avenue,
Baton Rouge, Louisiana, 70809.

2.

This Court may exercise its jurisdiction of this matter because (1) the amount in controversy exceeds Seventy-Five Thousand and 00/100 Dollars (\$75,000.00) based on the facts and circumstances described herein; and (2) there is complete diversity of citizenship between the parties. In accordance with 28 USC 1332(c), Defendants are foreign citizens, and Family Auto is a citizen of Louisiana that maintains its principal place of business in Calcasieu Parish, Louisiana.

3.

Family Auto is a business that offers automotive and quick lube services to its customers (the “Business”) and is located at 6435 Common Street in Lake Charles, Louisiana (the “Property”). At all times relevant hereto, Family Auto maintained policies of insurance with the Insurance Company and fulfilled its obligations under such policies, which include, but are not limited to, timely payments of all premiums due.

4.

On or about August 27, 2020, Hurricane Laura made landfall and caused catastrophic damage to the City of Lake Charles and the surrounding region. Unfortunately, this hurricane significantly damaged and/or destroyed the Property and caused Family Auto to suffer a substantial loss of Business income.

5.

As such, Family Auto filed Claim Number 4714431 with the Insurance Company (the “Claim”) to cover the costs of repairs to the Property, along with its loss of Business Income.

6.

The Insurance Company retained the services of Sedgwick Delegated Authority (“Sedgwick”) to handle all matters associated with the Claim, including, but not limited to, adjusting the Claim as it relates to Property damage, evaluating Family Auto’s loss of Business income, and remitting payments of the Claim.

7.

In addition to providing Sedgwick with the requested Profit and Loss Statements, Family Auto submitted, by letters dated March 17, 2021, and October 13, 2021, respectively, spreadsheets that specifically identified the total value of its loss of Business income based upon the determinative calculation set forth in and required by the policy(ies) of insurance, all of which, pursuant to La. R.S. § 22:1892, constitute “satisfactory proof of loss.” See Exhibits “A” and “B” for a copy of such letters. See e.g., *La. Bag Co. v. Audubon Indem. Co.*, 999 So. 2d 1104 (La. 2008).

8.

The Insurance Company, through Sedgwick, failed to make a written offer to settle the Claim within thirty (30) days of receiving such proofs of loss, as required by La. R.S. 22:1892(A)(4).

9.

Further, Sedgwick's evaluation of Family Auto's Claim was grossly understated, and, as such, the corresponding payments were insufficient to cover Family Auto's loss of Business income, leaving an outstanding balance of the Claim of \$96,403.00.

10.

As specifically evidenced above, the Insurance Company failed to timely respond to Family Auto's proofs of loss; failed to immediately adjust and provide adequate compensation to Family Auto, as required by the policy(ies) of insurance; and failed to remit full payment of the Claim to Family Auto.

11.

Considering Family Auto fulfilled its duties under the Policy, all such failures by the Insurance Company are clearly arbitrary, capricious, and/or without probable cause under La. R.S. 22:1892. See e.g., *State Farm Mut. Auto. Ins. Co. v. Norcold, Inc.*, 88 So. 3d 1245 (La. App. 3 Cir. 2012).

12.

Louisiana Revised Statute § 22:1892 entitles Family Auto to an award of damages equal to fifty percent (50%) of the uncompensated damages sustained, reasonable attorney fees, and legal costs.

13.

Family Auto seeks damages arising from the Insurance Company's failure to perform its obligations under the policy(ies) of insurance, including, but not

limited to, breach of contract, specific performance, negligence, punitive damages, and all other compensatory damages related to its conduct.

WHEREFORE, Plaintiff, FAMILY AUTO AND QUICK LUBE SERVICES, INC., prays that:

- I. Defendants, SCOTTSDALE INSURANCE COMPANY and CERTAIN UNDERWRITER'S AT LLOYD'S – LLOYD'S OF LONDON, be duly cited and served with a copy of this Complaint and a Summons commanding them to respond thereto;
- II. After due proceedings had, there be judgment in favor of Plaintiff, FAMILY AUTO AND QUICK LUBE SERVICES, INC., and against Defendants, SCOTTSDALE INSURANCE COMPANY and CERTAIN UNDERWRITER'S AT LLOYD'S – LLOYD'S OF LONDON, in an amount consistent with all relief requested herein, including, but not limited to, general damages, breach of contract, specific performance, negligence, punitive damages arising from La. R.S. 22:1892 equal to fifty percent (50%) of the damages uncompensated by Defendants, legal interest, attorney's fees, penalties, and all costs of these proceedings; and
- III. Full, general, and equitable relief be granted to Plaintiff, FAMILY AUTO AND QUICK LUBE SERVICES, INC., as warranted.

Respectfully submitted,

STUTES & LAVERGNE, LLC

/s/ Russell J. Stutes, Jr.

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PLEASE SERVE UNDER FRCP 4:

SCOTTSDALE INSURANCE COMPANY

Through its designated agent for service of process:

R. Kyle Ardoin

Louisiana Secretary of State

8585 Archives Avenue

Baton Rouge, LA 70809

and

CERTAIN UNDERWRITER'S AT LLOYD'S – LLOYD'S OF LONDON

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